

(b) Obtained from savings account holders and borrowers if such proxies are voted as directed by a majority vote of the entire board of directors of such association, or of a committee of such directors if such committee's composition and authority are controlled by a majority vote of the entire board and if its authority is revocable by such a majority.

§ 561.15 Corporation.

The terms *Corporation* and *FDIC* mean the Federal Deposit Insurance Corporation.

§ 561.16 Demand accounts.

(a) The term *demand accounts* means non-interest-bearing demand deposits which are subject to check or to withdrawal or transfer on negotiable or transferable order to the savings association and which are permitted to be issued by statute, regulation, or otherwise and are payable on demand.

(b) A fee paid by a savings association to a person who introduces a depositor to the savings association shall not be deemed a payment of interest to the depositor if the fee:

(1) Consists of bonuses in cash or merchandise to the savings association's employees for participation in an account drive, contest or other incentive plan; *Provided, That* such bonuses are tied to the total amount of deposits solicited; or

(2) Is paid to a bona fide broker if:

(i) The broker is principally engaged in the business of acting as a broker or dealer in regard to deposits, securities, or money market instruments;

(ii) The relationship between the broker and savings association is memorialized in a written agreement, a copy of which is retained by the savings association and made available to examiners; and

(iii) An officer of the broker certifies that no portion of the fee paid to the broker is directly or indirectly passed on to the depositor, and a copy of the certification is given to the savings association to be retained on file with the agreement.

[54 FR 49545, Nov. 30, 1989, as amended at 58 FR 4313, Jan. 14, 1993; 62 FR 54765, Oct. 22, 1997]

§ 561.18 Director.

(a) The term *director* means any director, trustee, or other person performing similar functions with respect to any organization whether incorporated or unincorporated. Such term does not include an advisory director, honorary director, director emeritus, or similar person, unless the person is otherwise performing functions similar to those of a director.

(b) The term *Director* means the Director of the Office of Thrift Supervision as established in section 3 of the Act.

§ 561.19 Financial institution.

The term *financial institution* has the same meaning as the term *depository institution* set forth in 12 U.S.C. 1813(c)(1).

§ 561.20 Guaranteed loan.

The term *guaranteed loan* means a loan that is guaranteed, including a guarantee to repurchase, in whole or in part, or as to which a commitment to guarantee has been made, under the provisions of any of the following:

(a) The Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code;

(b) The New Communities Act of 1968;

(c) Section 221 or section 224 of the Foreign Assistance Act of 1961, as in effect prior to December 30, 1969; or

(d) Section 221 or section 222 of the Foreign Assistance Act of 1961, as in effect on December 30, 1969, and thereafter.

§ 561.21 Guaranteed obligation.

The term *guaranteed obligation* means an obligation that is guaranteed, in whole or in part, or as to which a commitment to guarantee has been made under the provisions of the New Communities Act of 1968.

§ 561.23 Home mortgage.

The term *home mortgage* means a mortgage on real estate in fee simple, or on a leasehold of:

(a) Not less than 99 years which is renewable or

(b) Not less than 50 years from the date the mortgage was executed, which comprises one or more homes or other